

International Energy Fund



Application

March 2003



Gray Davis, Governor

CALIFORNIA ENERGY COMMISSION

Jason Sterling
Principal Author

Tim Olson
Project Manager

Charles Mizutani
Manager
Export Program Office

Scott W. Matthews
Deputy Director
Transportation Energy Division

Robert L. Therkelsen
Executive Director

TABLE OF CONTENTS

Introduction.....	1
Program Description	1
Minimum Eligibility Criteria	1
Definitions	2
Preference for Targeted Geographical Locations	3
Application Procedures	4
Formal Solicitation Process	4
Notice of Awards	5
Right to Reject any or All Proposals	5
Summary of Administrative Procedures for Funded Proposals	5
Conditions for Repayment and Reporting	6
Proposal Contents	7
Solicitation Schedule	10
Confidentiality	10
Errors	10
Application Evaluation Criteria	11
Project Development Proposal	11
Funding Options	12
Project Review and Consultation	12
Forms	13
Application Cover Sheet (Form A).....	13
Project Team (Form A-1).....	15
Work Statement (Form B)	16
Exhibit A – Sample Work Statement Task Format	17
Work Schedule (Form C).....	18
Budget (Form D).....	19
Salaries & Wages Detail (Form D-1)	20
Legal Action (Form E).....	21
Agreement to Repay (Form F).....	22
Exhibit B - Proposal Evaluation Criteria List.....	23

INTRODUCTION

The California Energy Commission is aware of the importance of international exports for the energy technology industry and is pursuing a variety of activities to promote international exports of California products and services through its Energy Technology Export Program.

The Export Program is directed by Public Resources Code Sections 25695-25698 to "assist California-based energy technology firms to export technologies, products and services to international markets." Under this authority Export Program staff act as liaisons for California energy firms and foreign governments to establish energy projects abroad. The program's activities include overseas trade missions, reverse trade missions, energy audits to qualify projects for development, direct business assistance and international conferences. The program also assists nations in formulating policies and laws that encourage private power development and improve the competitiveness of California energy firms. Through the International Energy Fund (IEF), the Export Program is authorized to assist California energy firms by providing funds for international energy projects.

PROGRAM DESCRIPTION

Under the authority of the Warren Alquist Act, the Export Program must administer programs that are economically sound, environmentally reliable, and energy efficient. Additionally, the Export Program encourages developers to pursue environmental and economic standards for international development projects that meet World Bank Standards, conduct activities that are consistent with the host countries' energy development policies, and direct activities that will lead to the construction and development of energy efficient and reliable technology use.

The IEF assists California energy firms in conducting pre-construction activities that lead to energy projects in foreign nations. The IEF awards are funding for pre-feasibility and feasibility stages of international energy projects. Pre-construction activities include but are not limited to: market studies and analyses, feasibility studies, resource assessments, site analyses, bid and/or proposal development, and technology transfer agreements.

MINIMUM ELIGIBILITY CRITERIA

In order to be eligible for funding, the proposal must meet all of the following minimum eligibility criteria. Any proposal that does not meet each of these criteria will not receive a score. To demonstrate compliance with the minimum eligibility criteria, you must include an Eligibility Criteria Statement with your application, and affix any necessary documents to support this statement. The Eligibility Criteria Statement must contain sufficient detail to show that all of the following criteria have been met:

1. **The proposer must be an energy firm.** An energy firm is one that has conducted energy-related business (see definition below) for a minimum of one year.

2. **The proposer must be a California firm.** For the purposes of this program, a California firm must have been located in California and operating for at least one year. If the proposer is a consortium, each of its constituent firms must have been operating in California for one year. The product or service associated with the IEF fund request must include over 50 percent California content (see definition below).
3. **The applicant must provide a statement from the host country expressing agreement or support for the proposed activity or project.** This must be demonstrated through unambiguous Letters of Intent, Letters of Commitment, Power Purchase Agreements or other documentation showing that the activity proposed by the applicant is consistent with the host country's energy policy. If the project will not involve host government approval, the statement can be a letter from a private company/organization legally registered to do business in the country.
4. **The proposer must describe how it will comply with the minimum 50 percent matching IEF fund requirement.** Please describe the matching portion using the following list of options or a combination of them:
 - Dollars for dollars
 - In-kind services and/or equipment
 - A combination of dollars and in-kind services and/or equipment
 - Percentage of the firm's contribution by task area
5. **The proposer must agree to reimburse the Energy Commission pursuant to California Public Resources Code section 25696.5.** Accordingly, form F must be completed. Reimbursement is required when:
 - Assistance was substantial and essential for the completion of a specific identifiable project, and
 - The resulting project is producing revenue for the proposer's company.
6. **The proposer must demonstrate that receiving an award will facilitate its entry into foreign export markets by enabling it to overcome export barriers** (see definition below).
7. **The proposed product or service must be commercially available.** The product or service must be available for immediate purchase under typical business terms and deliverable within a reasonable period of time.

Definitions

1. **Energy Related Business:**
 - a. Types of energy-related businesses include, but are not limited to:
 - Electrical generation, transmission or distribution
 - Fuel production or distribution
 - Energy conservation, including commercial, industrial, or residential energy-saving products or services

- b. Energy-related businesses may include:
 - Equipment manufacturers
 - Project developers/operators
 - Engineering and other technical services
 - Energy consultants, such as financial, legal, and business development consultants
 - Resource exploration companies
- 2. **Fifty Percent California Content:** The project proposed to be funded must have a California content in excess of 50 percent of the total F.O.B. carrier value. For purposes of determining this minimum percentage of California content, the applicant may include, in addition to manufacturing or growing costs, all other labor, materials, inland freight, direct or indirect costs, and other overhead originating in California or paid to California-based firms. In the case of manufacturers, if the final manufacturing process is conducted in California, a detailed analysis of components within the final manufactured article is not required. The exporter is required to certify in his application that the transaction exceeds 50 percent California origin. The applicant must provide evidence of an existing commitment to derive 50 percent of the ultimate energy project's value from California sources.
- 3. **Export Barriers:** The following are examples of export barriers that California energy companies may face in the international marketplace:
 - a. Inability to obtain project financing with competitive terms
 - b. Technology has not yet been demonstrated in host country, but has been demonstrated in one or more other countries
 - c. Uncertain or undefined regulatory and institutional decision-making processes
 - d. Delays in time-sensitive stages of project development
 - e. Host country lacks awareness of technology benefits and California energy company capabilities
 - f. Host country lacks sufficient infrastructure or technical capability to implement project
 - g. Import tariffs
 - h. Foreign competition that places California energy firms at a disadvantage (e.g., economic aid provided by foreign governments to developing nations and tied to purchases from companies based in the donor countries)
 - i. Discrimination against small-scale projects

PREFERENCE FOR TARGETED GEOGRAPHICAL LOCATIONS

Proposals for energy technology export sales or projects are not limited to any country, as long as they do not involve work in countries for which the U.S. government has banned business activity by American firms. As of March 19, 2003, the U.S. government prohibits U.S. companies or individuals from conducting business transactions with Cuba, Libya, Albania, North Korea, Iraq and Iran. The Energy Commission's Export Program may

establish preferences for export sales based on market research, policy analysis, or agreements with countries.

The Energy Commission's target market research and industry survey results have identified energy technology export opportunities for 12 technology categories (such as renewable energy technologies, energy efficiency, and cogeneration.) The research has further indicated that Mexico, and South Korea offer some of the best opportunities for California energy firms doing business in those technologies. As a result, the Energy Commission has established a system of preferences for work in those countries offering the best business opportunities for California energy firms. For the current application, the Energy Commission will grant the following additional points for proposals that meet minimum eligibility criteria and would receive a passing score in the absence of the preference adjustment:

COUNTRY	SCORE INCREASED BY
Mexico	5 %
South Korea	5 %

APPLICATION PROCEDURES

The Energy Commission has proposed \$250,000 of funding from fiscal year 2002/03. The Energy Commission anticipates making awards of up to \$25,000 per pre-construction activity. Applicants are required to provide at least 50 percent of the total cost of the pre-construction activity to be eligible for this fund. The solicitation begins **March 24, 2003, with proposals due no later than May 7, 2003.** It is expected that awards will be made in June 2003. Total funding for this solicitation is \$250,000.

Formal Solicitation Process

Each proposal submitted during the formal solicitation must include an Eligibility Criteria Statement as described in the Minimum Eligibility Criteria section. Proposals are reviewed for eligibility, and must pass all the minimum requirements listed in Minimum Eligibility Criteria section to be fully scored or eligible for funding. Review panels consisting of Energy Commission staff will evaluate, score, and rank each eligible proposal using criteria included in this application. Decisions on final scoring and whether proposals meet minimum eligibility criteria will be based on written proposals submitted and interviews with proposers. Points for each criterion will be awarded on a weighted scale from 0 to 10. Each score is multiplied by the weighting factor. The weighted subtotals are then calculated and used to rank applications. Only those applications scoring 70 percent or higher will qualify for funding by the Energy Commission. Qualified applications will be ranked in descending order and those with the highest final rankings will be recommended to the full Energy Commission for approval at a public business meeting.

- The proposer must submit ten (10) copies of their project proposal to: California Energy Commission, Grants and Loans Office, MS-1, 1516 Ninth Street, Sacramento, CA 95814, no later than 4:00 p.m. on May 7, 2003. At least one copy must include an original signature of an authorized representative on the application sheet, Form A. The authorized representative should be the president/owner or his/her authorized designee. If signed by a designee, the proposal must include a letter with an original signature stating that the designee is authorized and empowered in the name of the proposer to execute an agreement with the Energy Commission, as well as all other necessary documents required to implement and carry out the purposes of this agreement. No faxed copies will be accepted.

No proposal will be considered which does not include ten (10) copies, does not have at least one (1) original signature, and has not been received at the above listed location by 4:00 p.m., May 7, 2003.

- Clarification interviews will be scheduled between **May 21 and 30, 2003.**

Notice of Awards

Upon final ranking of the applications, a notice of proposed awards will be mailed to each applicant prior to the Business Meeting, at which the Energy Commission will vote to make the awards. If, for any reason, an applicant who has received Energy Commission approval for an award decides not to proceed with the project or cannot satisfy the agreement requirements, then the Energy Commission may disqualify the applicant and select the next highest ranked proposal(s) for funding. Unsuccessful applicants may request a debriefing, provided such a request is submitted in writing within 30 days of the date of notification. Proposals submitted will not be returned to applicants.

Right to Reject Any or All Proposals

It is the policy of the Energy Commission not to solicit proposals unless there is a bona fide intention to make awards. However, the Energy Commission reserves the right to reject any or all proposals or to cancel the solicitation.

Summary of Administrative Procedures for Funded Proposals

1. Successful applicants will receive an award specifying the amount, duration and terms and conditions of IEF funding. This document will also include a detailed budget and work statement based on the recipient's application. This document must be signed by an executive authorized to make legal commitments on behalf of the applicant and returned to the Energy Commission's Grants and Loans Office prior to commencement of any activity. The Energy Commission reserves the option to request repayment of funds if the recipient is purchased by or merges with another corporation.

2. Recipients must report regularly to the Energy Commission Project Manager. The reporting must be done in accordance with the general Terms and Conditions, quarterly during the performance of the pre-construction activity, and annually after the final report. Copies of the draft general Terms and Conditions will be made available on the Energy Commission's website. Final Terms and Conditions may not be available until after awards are made.
3. Recipients may request quarterly reimbursement for expenses incurred on project activities. Reimbursement requests received between quarterly cycles will be held until the following quarter unless there are extenuating circumstances involved, or more frequent disbursement of funds is stated in the agreement.
4. Recipients will be required to submit a final report within 60 days of the end of the pre-construction activity. Final reports must include five complete copies of any documents, maps, or other products. It is the Energy Commission's discretion to request an in-person presentation from the recipient before approval of the final report. Specific administrative procedures are detailed in the general Terms and Conditions.

Conditions for Repayment and Reporting

Repayment (see Form F)

This project is being funded through an agreement from the California Energy Commission's International Energy Fund program. Public Resources Code section 25696.5 requires repayment of the award if the funds are substantial and essential for the completion of the project and if the project produces revenues. Therefore, there is a possibility that the recipient may have to repay the award to the Energy Commission.

This project shall be conducted in accordance with the Recipient's application, any supplemental application information, and this agreement. The Recipient's application and any supplemental application information are not attached hereto, but are expressly incorporated by reference into this agreement. In the event of a conflict or inconsistency between the terms of this agreement (and its incorporated documents), the Recipient's application, and any supplemental application information, this agreement shall be considered controlling.

This agreement shall be signed and returned to the Energy Commission within 30 days. Failure to meet this requirement may result in forfeiture of the award.

Annual Reporting After Final Disbursement

After the completion of the pre-construction activity funded by the Energy Commission, the recipient must submit annual reports to the Commission Project Manager. These reports are due at each anniversary of the activity completion and shall include:

- A summary of all material events and actions associated with the project

- A discussion of future intent of the recipient to further develop the project
- A statement of the current and expected future revenue streams generated by the project

Proposal Contents

Your proposal must include the following:

- Eligibility Criteria Statement
- Form A - Application Cover Sheet
- Form A-1-Project Team (include resumes)
- Activity Criteria Statement
- Form B - Work Statement
- Form C - Work Schedule/Timeline
- Form D - Budget
- Form D-1 - Salaries and Wages Detail
- Map of Project Site (if available)
- Form E - Legal Action Certification
- Form F – Agreement to Repay

Eligibility Criteria Statement

The Eligibility Criteria Statement must address each minimum requirement listed in the Minimum Eligibility Criteria section beginning on page 1. The applicant should explain how they meet each requirement.

Activity Criteria Statement

The Activity Criteria Statement must address each application evaluation criterion listed in the Application Evaluation Criteria section beginning on page 10. Using the same numbering system and quantifying where possible, explain how your project will address each criterion.

Work Statement (see Form B)

A central part of developing a project proposal is the preparation of a detailed work statement identifying the specific tasks to be undertaken, the products resulting from these tasks and projected completion date. If the proposal is approved for funding, the work statement will become part of the agreement. The work statement should describe how the objectives discussed in the pre-construction activity criteria statement would be accomplished. Both the tasks and associated products must be described clearly and concisely, and must show the due dates of all products and deliverables. The work statement and budget should provide for the preparation and production of five (5) copies of the final product(s) for the Energy Commission. Work statements with interim products and regularly scheduled management/status meetings will benefit in scoring.

If a project is approved for funding, the Energy Commission Project Manager may request modification to the work statement for incorporation into the funding agreement.

Work Schedule (see Form C)

The work schedule should graphically present relationships between tasks, products and the amount of time required in person-months. This schedule should include:

1. The tasks to be accomplished, which should be entered by number and title from the work statement form;
2. The person-months (one person working full-time for one month) or fractions of person-months required to complete the task; and
3. The duration of the task entered as a bar extending across the chart corresponding to the months. Additional month columns may be added to Form C as needed. Task completion due dates should be indicated with a black triangle.

Some tasks may overlap, depending upon the activity, but all tasks, their duration, and staff time must be listed. The person-month figure must correspond to the proposed budget.

Proposed Budget (Form D)

The proposed budget is divided into three sections - personnel expenses, operating expenses and indirect charges. Back-up information such as hourly salary rates, benefits and written equipment cost estimates must be provided as needed to substantiate funding requested. Time sheet reports, receipts and consultation invoices with proof of payment will be required prior to reimbursement. Invoices will be required to correspond to the budget as presented, or if modified, as finalized in the funding agreement.

The proposed budget form includes the following:

1. Personnel Expenses
 - Salaries and Wages - These include the salaried and wage-earning personnel (not consultants) who will be working directly on the activity. Costs should correspond to activities identified in the Work Schedule Form C. Form D-1 must be completed if salaries and wages are included in the budget.
 - Benefits - Benefits are usually figured as a percentage of the salaries and wages, and typically include employer contributions for health care, retirement, insurance, vacations, etc. Please indicate on the budget form the percentage of salaries and wages that will be paid as benefits. Attach documentation of benefit rate calculations.
 - Total Personnel Expenses - The sum total of salaries, wages and benefits.

2. Operating Expenses

Includes travel, equipment, professional and consultant services and other operating costs.

- Travel and Per Diem - Includes the cost of transportation and other associated costs, such as car rental or taxi fare, as well as expenses for lodging, meals, and incidentals. Travel and per diem expenses shall be reimbursed on the same basis as non-represented state employees. For international travel only, federal travel rates may be used to establish daily per diem and lodging expenses.
- Equipment - Include only items that have a unit cost of \$5,000 or more and a useful life of at least one year. Include only equipment specifically pertaining to the project development activity. **Keep in mind that all equipment purchased with IEF funds remains the property of the California Energy Commission.** The program does not allow for purchase of durable equipment, such as energy-producing or energy-saving equipment or office equipment. However, the value of energy equipment supplied by the proposer can be included as a matching fund requirement. Rental expenses for necessary office equipment should be listed under "Other Expenses" or included as part of the indirect or overhead charges.
- Professional and Consultant Services - Include the total costs for any consultants, including personnel and general operating expenses. Costs should be based upon consultant hours directly related to proposed tasks and should correspond to activities identified in the Work Statement, Form B.
- Supplies – Include any items that are directly charged against the proposed project and that do not fall under the definition of Equipment (see above).
- Other Expenses - Includes printing, postage, telephone charges, and office equipment rental. These costs should not be duplicated in indirect charges.

3. Indirect Charges

Indirect charges include those costs that are incurred for a common or joint purpose, which cannot be tied directly to the project. Indirect is generally figured as a percentage of personnel services and may cover rent, utilities, phone and support for other departments, which contribute indirectly to the activity. All expenditures included in the indirect rate shall consistently be classified as indirect charges and shall not be treated as direct charges under any projects or programs. **If indirect charges are claimed, the final application must include documentation to show how the indirect cost rate has been calculated. The Energy Commission reserves the right to review and approve the indirect rates.**

Solicitation Schedule

Applications Available	March 24, 2003
Information Workshop (see "NOTE" on page 10)	April 2, 2003
Deadline for Accepting Questions	April 9, 2003
Answers Posted on Website	April 18, 2003
Final Proposals Due by 4:00 p.m.	May 7, 2003
Interviews for Applicants	May 21 - 30, 2003
Energy Commission Approval of Final Ranking	June 2003
Execution of Agreements to Begin Work	After Approval at Energy Commission Business Meeting

The program contact is:

Tambu Kisoki, California Energy Commission, 1516 Ninth Street, MS-45, Sacramento, CA 95814. Phone number (916) 654-4719. You may also contact Jason Sterling at (916) 654-4642.

The administrative contact is:

Arlene Winter, California Energy Commission, 1516 Ninth Street, MS-1, Sacramento, CA 95814. Phone number (916) 654-4276.

Confidentiality

Materials provided by applicants and/or recipients of awards under this program will not be kept confidential. However, all applications will be treated as confidential during the review process by the review panel. After the full Energy Commission has approved the funding awards, all materials and information received by the Energy Commission will be available for public inspection if requested.

Errors

If a potential applicant discovers any ambiguity, conflict, discrepancy, omission or other error in this application manual, the applicant shall immediately notify the Energy Commission of such error in writing and request modification or clarification of the document. Modifications will be made by addenda. Clarifications will be given by written notice to all parties who have obtained an application without divulging the source of the request for clarification. The Energy Commission shall not be responsible for failure to correct errors.

NOTE: Potential applicants are encouraged to attend the IEF workshop to learn more about the program funds. The workshop will be held at:

Thursday, April 2, 2003
10:00 a.m. - 12:00 p.m.

Hearing Room B
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Application Evaluation Criteria – As part of your proposal include information to address evaluation criteria.

Applications will be evaluated on the criteria presented in Exhibit B. Proposals receiving at least 70 percent will be accepted as passing. Passing proposals involving projects in targeted geographical regions will have their score augmented as stated in Preference for Targeted Geographical Location section. Passing proposals will be ranked according to their scores, and the top-ranked proposals will be recommended for funding at an Energy Commission business meeting.

Project Development Proposal

Proposals may include activities that evaluate the prospects for one or more energy technology export projects. Proposers are expected to have performed INITIAL WORK to define a project opportunity and demonstrate why the proposal should be funded.

Project development activities include, but are not limited to:

- foreign buyer orientation visits
- equipment demonstrations
- data collection
- resource assessment
- preliminary engineering and economic analyses
- market analyses
- regulatory requirements or other institutional issues related to project development
- project finance determinations
- investigations of development infrastructure
- assessment of competition or other activities which enhance the likelihood of a project going forward to development or installation
- project bidding including formation of bidding teams
- securing bid bonds
- formation of consortia
- final negotiations and proposal development
- project finance assistance and transactions
- engineering design and procurement or regulatory requirements including permits and licenses
- efforts to assist the establishment of private power laws and regulations including policy and legal analyses
- recommendations, draft legislation
- participation in conferences and meeting with government officials

- environmental and/or economic policy analyses
- recommendations regarding existing energy development.

Funding Options

The Energy Commission typically receives proposal requests in excess of the available money to fund them. As a result, the Energy Commission has not been able to fund all eligible proposals in each solicitation. Although the amount of funds to be awarded in each solicitation is determined, the Energy Commission at its discretion, may modify the amount of funding to be awarded to each finalist. It may partially fund all finalists, partially fund the lowest-ranked finalist and/or deny funding to one or more of the lower-ranked finalists. The Energy Commission shall decide the percentage of partial funding. The percentage reduction, if any, will apply equally to all of the finalists proposed to receive funding, except for the lowest ranked finalist who may receive a greater reduction due to the amount of the remaining funds in the solicitation.

Project Review and Consultation

Six months after the Agreement has been signed between the Energy Commission and the recipient, a consultation meeting will be convened to review, assess and discuss the progress of the project. This meeting shall establish the basis of future actions that the Commission may take if needed to provide technical assistance, possibly redirect funding if progress has not occurred, address the status of team development, and initiate discussions about project financing. It also will assist the recipient to identify any barriers and recommend methods to overcome them.

The recipient shall attend the Annual International Energy Project Financing Conference, sponsored and conducted by the Energy Technology Export Program. The purpose of the conference is to learn, identify and explore the availability of new funding sources that may be accessible to small and mid-sized projects similar to those funded by the International Energy Fund. Recipient may be required to participate in Commission sponsored consultation meetings, which will allow us to pursue technical assistance on their behalf, with outside financial entities and/or brokers.

FORM A

INTERNATIONAL ENERGY FUND APPLICATION COVER SHEET

Name of Applicant:

Contact Person and Position in Company:

Address:

Telephone:

Telefax:

E-Mail:

1. Brief Description of Company:

(If you are applying as a joint venture group or consortium, please identify each company participating in the proposed project on a separate piece of paper.)

2. Brief Description of the Project:

(Describe your proposed project, including individual project elements. Explain the energy production, energy savings or energy use project that will eventually result; including type of technology, project size, project cost, project location, anticipated timeframe and potential California content of equipment, development services and other technical/consultation services. Discuss why you think your project will assist in job creation and/or tax revenue generation to the state.)

2a. Project Goals and Objectives:

(Describe the goals and objectives of your project and your plan for achieving them. Explain how the goals and objectives of your project will meet those outlined in the Program Description. Describe the method that you will use to measure the potential success that your project will use on achieving these goals.)

3. Amount of Funds Requested:

4. Total Expected Pre-construction Project Costs:

5. Project Start Date:

6. Anticipated Project Completion Date:

I certify to the best of my knowledge that the information contained in this application is correct and complete. I authorize the California Energy Commission to make any necessary inquiries to verify the information I have presented.

Signature, Printed Name and Title of Authorized Representative

Date

FORM A-1

INTERNATIONAL ENERGY FUND PROJECT TEAM

Identify the individual that will be primarily responsible for managing the project. List all individuals that will be part of your project team. Describe the capabilities of the team members to conduct the work proposed, with reference to past experience. Provide **resumes** of all the team members.

Project Manager:_____

Project Team: (name, title)

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

Please attach resumes for each team member listed.

FORM B

INTERNATIONAL ENERGY FUND WORK STATEMENT

(Identify Tasks, Products, and Product Due Dates)

Applicant:

Project Title:

Task/Product/Due Date: (Number each task and subtask—see Exhibit A for sample format)

EXHIBIT A - SAMPLE WORK STATEMENT TASK FORMAT

TASK 1. NAME OF TASK

Describe the task to be performed. If there are several activities that must be accomplished to complete the task, list them as subtasks. Number any subtasks as 1.1, 1.2, etc., to make it easier to report on tasks in your quarterly reports, etc.

1.1 Describe the subtask to be performed. Include specific details of the work to be performed.

Product Description:

- List products resulting from the task or subtask, if any.
- Product Due Date:
- List the date the product will be submitted to the Energy Commission Project Manager
- List either by month and year (i.e., August 2003) or by months from project start date (i.e., end of fourth month of project).

NOTE: It is not necessary to have a product for each task or subtask. However, if the task results in information, a report, or other data of value to the Energy Commission, it should be listed as a product. The Energy Commission Project Manager may add products to the Work Statement in preparing the funding agreement.

INTERNATIONAL ENERGY FUND WORK SCHEDULE

Date:_____

Revised:_____

Milestone = ?
Completed Task = ?

FORM D

INTERNATIONAL ENERGY FUND BUDGET

Name of Applicant: _____ Date: _____

Project Title: _____ Revised: _____

Line Item	CEC Funds (\$)	Match Contribution (\$)	Total Budget (\$)
1. PERSONNEL EXPENSES			
Salaries & Wages*			
Benefits (___ %) **			
TOTAL PERSONNEL EXPENSES	\$	\$	\$
2. OPERATING EXPENSES			
Travel and Per Diem			
Supplies			
Equipment (specify) ***			
Professional/Consultant Services			
Other Expenses (Printing, Phone/Fax, Postage)			
TOTAL OPERATING EXPENSES	\$	\$	\$
3. INDIRECT CHARGES (___ %) ****	\$	\$	\$
TOTAL BUDGET (Sum of 1-3)	\$	\$	\$

* Attach Form D-1 detailing names of individuals involved in project, number of hours each individual will work and each individual's hourly rates.

** Benefits usually calculated as a percentage of salaries and wages. Typical benefits include medical and life insurance, California worker's compensation, vacation, and social security benefits. **Attach documentation of calculations.** The Commission reserves the right to review and approve the benefit rate.

*** Specify type of equipment and cost.

**** Indicate if indirect will be charged as a percentage of salaries and wages or total direct charges. State the basis for the proposed indirect cost rates. **Attach documentation of calculations.** The Energy Commission Project Manager will review the indirect rate and may adjust if necessary.

INTERNATIONAL ENERGY FUND SALARIES AND WAGES DETAIL

Project Title: _____ Revised: _____

Name or Title	Hourly Rate (\$/Hour)	No. Hours (Hours)	CEC Funds (\$)	Match (\$)	Total (\$)
Total* (\$)			\$	\$	\$

20

FORM E

INTERNATIONAL ENERGY FUND LEGAL ACTION

1. State whether you or your company has ever been a defendant in any criminal or civil action in the past five years. If so, please briefly state the nature of the action, date of action, names of parties and name of the court district.
2. State whether you or your company has filed for bankruptcy in the past five years. If so, please state the date of the action and the name of the court district.
3. Under the provisions of the Energy Commission and the International Energy Fund a company must be in good standing with the State of California to be funded for an energy project. Please state whether you or your company has had its corporate status revoked or whether you or your company owes any monies to the California Franchise Tax Board.

I declare under penalty of perjury that the foregoing information is true and correct and that I am authorized to submit this application on behalf of the above-named business.

Executed in _____, California, on _____, 2003.

Signature

Printed Name

Title

FORM F
AGREEMENT TO REPAY

As a person legally authorized to enter into contracts for _____, I
certify (company name)

that any funds received from the Energy Commission under the International Energy Fund
are

substantial and essential for the completion of the specific identifiable project for which the
funds may be awarded. In addition, if and when the resulting project is producing revenues,

_____ hereby agrees to repay any funds received from the Energy
(company name)

Commission under the International Energy Fund pursuant to California Public Resources
Code section 25696.5.

I certify under penalty of perjury that the information contained in this form is true, correct,
and complete to the best of my knowledge and belief.

Executed in _____, California, on _____, 2003.

Signature

Printed Name

Title

EXHIBIT B

INTERNATIONAL ENERGY FUND PROPOSAL EVALUATION CRITERIA LIST

The following is a description of criteria each proposer should consider in responding to this solicitation. Each proposer should carefully read and consider each of the items in developing a proposal with the relevant information described in this form.

	Weight Factor	Score (0-10 Points)
1. PROPOSAL IMPACT		
a. Proposal Concept Provides Benefits to California	7%	
<ul style="list-style-type: none"> Potential for export sale or technical service contract 		
<ul style="list-style-type: none"> Potential export revenue produced 		
<ul style="list-style-type: none"> Potential tax revenue and employment benefits generated in California 		
<ul style="list-style-type: none"> Potential for project replication in the country or other countries 		
<ul style="list-style-type: none"> Joint ventures, licensing agreements and other transactions negotiated 		
<ul style="list-style-type: none"> Maintain or improve the competitiveness of California energy firms by increasing potential for export sale or technical market share and ensuring market accessibility or strengthening California energy business presence in host country 		
<ul style="list-style-type: none"> Potential for California energy firms to maintain or enhance position for technological advancement 		
<ul style="list-style-type: none"> Indication that the proposal has a long-term economic benefit to host country and the State of California and is profitable for the firm 		
<ul style="list-style-type: none"> Results in model solutions in terms of laws and regulations 		
b. Proposal's Probable Environmental, Energy and Economic Impacts in the Host Country	5%	
<ul style="list-style-type: none"> Reduces air quality impacts for specific criteria pollutants and carbon dioxide for proposed project compared to existing or alternative uses, practices or circumstances 		
<ul style="list-style-type: none"> Results in definable improvement of other environmental components (public health, water quality, land use) 		
<ul style="list-style-type: none"> Results in increased manufacturing, employment; stabilizes or enhances economic sector(s) in the host country 		
<ul style="list-style-type: none"> Satisfies environmental policy goals set by national government (i.e., reduction in carbon dioxide emissions, clean water standards, etc.) 		
c. Demonstrated In-Country Need for the Proposal	5%	
<ul style="list-style-type: none"> Identified need in country's national energy plan 		

	Weight Factor	Score (0-10 Points)
<ul style="list-style-type: none"> Addresses identified barrier or issue (e.g., power interruptions, efficiency improvement in a critical economic sector, power for regions not serviced by distribution lines) 		
<ul style="list-style-type: none"> Addresses proposal need in specified time frame (e.g., 1-3, 1-5, 1-10 years) 		
<ul style="list-style-type: none"> Satisfies energy policy goals set by national government (e.g., diversify energy supply mix, use indigenous energy resources, reduce reliance on imported oil) 		
d. Assistance Needed to Address Export Barriers	5%	
<ul style="list-style-type: none"> Export barriers identified 		
<ul style="list-style-type: none"> Demonstrated need for assistance to address export barriers 		
<ul style="list-style-type: none"> Strategy proposed to use Energy Commission support to overcome barriers. 		
e. Key Decision Maker(s) Identified	5%	
<ul style="list-style-type: none"> Verification that government organization(s) and key decision makers in the host country are agreeable to the proposal 		
<ul style="list-style-type: none"> Degree of commitment for the proposal from the relevant officials of the host country utility 		
<ul style="list-style-type: none"> Host country's record of similar proposals being carried to completion 		
f. The technology to be incorporated in the proposal is suitable and commercially accessible	7%	
<ul style="list-style-type: none"> The technology is commercially available and cost-competitive for the proposal applications 		
<ul style="list-style-type: none"> Skilled labor and spare parts are available to maintain proper operation and maintenance 		
<ul style="list-style-type: none"> Data is available to demonstrate multi-year performance of the technology as reliable 		
<ul style="list-style-type: none"> The technology is suitably matched to meet the specific energy need and end-use 		
Subtotal (1):	34%	
2. PROPOSAL RISK EVALUATION		
a. Technical Risk	7%	
<ul style="list-style-type: none"> Indication of resource potential, fuel availability or energy conservation potential 		
<ul style="list-style-type: none"> Likelihood that sufficient data can be collected to define project potential 		
<ul style="list-style-type: none"> Method of validating resource measurements or energy consumption 		
<ul style="list-style-type: none"> Description and justification of technology (equipment and design) to produce, use or save energy 		
<ul style="list-style-type: none"> Uniqueness of proposal as compared to others in the same technology category (policy only) 		
b. Location/Site Risk	5%	

	Weight Factor	Score (0-10 Points)
• Suitable access for evaluation and development		
• Infrastructure in place to support evaluation and development		
• Suitability of site for energy efficiency improvements		
• Uniqueness of project site as compared to others in the same region (policy only)		
c. Institutional Risk	6%	
• Indication that the institutional procedures for energy use/savings or development are clearly defined for government decision making and approvals		
• Historical examples of contract agreements, national laws, land-use/legal rights, tariffs, etc.		
d. Financing Risk	9%	
• Potential for debt and equity financing for project development		
• Ability of the proposed project to attract financing with reasonable terms		
• Ability of the host country to attract financing		
e. Market Risk	6%	
• Country presents no legal obstacles for California energy firms to conduct business		
• Reasonable assurance that market conditions are conducive to a successful project		
Subtotal 2:	<u>33%</u>	
3. PROPOSAL IMPLEMENTATION		
a. Proposal Plan and Implementation Schedule	5%	
• Milestones demonstrate tangible progress		
• Work is designed to produce a tangible product		
• Potential to implement proposal in timeframe to meet host country need		
• The proposed total and monthly budgets are suitable to conduct work and meet proposal objectives		
• In the event of unforeseen delays or problems, the proposal budget and payment schedule contains contingencies to maintain work programs		
• Proposal time frame is sufficient to accomplish project goals		
b. Proposal Work Statement	5%	
• Clearly defines work tasks, deliverables and due dates		
• Appropriateness of work tasks to address defined issues/obstacles		
• Explanation of how deliverables will be used to fulfill proposal objectives		
• Produces measurable results		
• Clearly describes work assignments and responsibilities of all partners or subcontractors		
c. Experience/Knowledge Level	7%	

	Weight Factor	Score (0-10 Points)
• Experience directly related to the energy technology/proposal		
• International project development and financing experience		
• Experience in performing work similar to the proposed work		
• Degree of experience in international energy project financing		
• Energy project experience in California		
• Previous success in developing projects or performing work which led to project operation		
d. Financial Solvency of Proposer	6%	
• Proposer's financial capabilities to undertake the overall project		
• Proposer's financial capability to provide matching funds and complete proposed work		
• Demonstration of proposer's financial solvency over previous three years		
• Demonstrated financial capability in performing previous work similar to proposed work		
e. Host Country Support	5%	
• Host country policy commitment through laws, regulations and institutions		
• Demonstrated support of proposer through letters of intent, permits, pre-bid qualification or other approvals		
• Funding commitment of host country government or other partners		
f. Technology Transfer Potential	5%	
• Potential to duplicate project success in the host country or that region of the world		
• Plan to maintain sufficient operation and maintenance training functions		
• Degree that other California energy companies can benefit from success		
Subtotal (3):	33%	
•		
TOTAL (1+2a+3):	100%	
•		
•		